



STATE OF WEST VIRGINIA  
OFFICE OF THE ATTORNEY GENERAL  
DARRELL V. MCGRAW, JR.  
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# Press Release

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**FOR IMMEDIATE RELEASE**

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**ATTORNEY GENERAL DARRELL V. MCGRAW, JR., REMINDS CONSUMERS OF RELIEF AVAILABLE UNDER SETTLEMENT WITH INTERNET ADVERTISING COMPANY. MANY CONSUMERS DID NOT KNOW THEY HAD AUTHORIZED AUTOMATIC WITHDRAWALS FROM THEIR BANK ACCOUNTS WHEN THEY DEPOSITED "LIVE ACTIVATION CHECKS"**

Consumers and small businesses can still submit claims to the Attorney General's office under a settlement with an internet yellow pages company. Last month, Attorney General Darrell V. McGraw, Jr., announced that YP Corp., and its subsidiary, Telco Billing, Inc. ("YP.com"), agreed to settle allegations by McGraw's Office and 33 other state attorneys general that YP.com had deceptively used "live" activation checks to lure small businesses and organizations into signing up for internet advertising service.

The states alleged that since at least January 1, 2003, YP.com sent businesses and other organizations "live" activation checks in the mail. These checks were made payable to the business or organization for a small amount, usually around \$3.50. However, the fine print on the back of the checks stated that by depositing the check, the recipient agreed to purchase advertising from YP.com for its online yellow pages directory. The fine print also provided that by depositing the check, the recipient authorized YP.com to collect hefty fees for these services, anywhere from \$27.50 to \$39.95 every month. In some cases, the "agreement" authorized the fee to be charged to the organization's telephone bill. In other cases, YP.com simply began debiting the fee directly from the bank account where the activation check was deposited by the unwitting recipient.

The states' investigation revealed that large numbers of YP.com's "customers" had no idea they were purchasing a yellow page listing or that they were agreeing to pay a fee. In some of these cases the check recipient remained unaware that it was being billed by YP.com for several months, if not years, after depositing the activation check.

According to the terms of the settlement agreement entered by the Circuit Court of Kanawha County, YP Corp. has agreed to stop using activation checks to obligate businesses to purchase its products and services. YP Corp. also has agreed to pay \$2,000,000.00, collectively, to the states to be used for restitution to former YP.com customers that did not understand the consequences of depositing YP.com's activation check and to reimburse the states for their investigation costs. YP Corp. also agreed to contact its current activation check customers to inform them of their right to cancel their agreement with YP.com and of their potential eligibility for at least a partial refund of monies paid to YP.com.

The allegations that gave rise to the states' investigation and the settlement described above have not been admitted by YP.com, and its agreement to address the State's concerns and allegations does not constitute an admission of wrongdoing by YP.Corp, YP.com, or Telco Billing, Inc.

YP.com customers who were being billed as of December of 2006 through their telephone bill or bank account for a listing, and became customers by depositing an activation check, were contacted by YP.com during the last month by letter with a refund offer.

As for YP.com customers who were not being billed as of December of 2006 but who had lost money to YP.com in the past,

refunds are also available through McGraw's office. Any consumer, business, or other organization that deposited an activation check from YP.com since January 1, 2003, without understanding they were signing up to be billed for internet yellow page listings, should contact the Attorney General's office no later than January 30, 2007, at (304) 558-8986, or (800) 368-8808, for information on how to request a refund.

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